(d) whether it is a fact that the small size turbines cannot meet the capital's power needs; and

(e) what action Government propose to take against the officials of DESU for ignoring the expert advice?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY (SHRIMATI SUSHILA ROHATGI): (a) Government's attention has been drawn to the news item.

(b) and (d) The earlier proposal was not pursued as availability of oil on a sustained basis was not confirmed. The 30 MW size of gas turbines was preferred on expert advice keeping in view the operational requirements, the cost, and the functions to be performed by these units which include providing black start facility, peaking power, and assistance in improvement of system voltage when required. These facilities are not available in units of larger size. The gas turbines installed by DESU are meeting the above requirements.

(c) The per unit cost of generation of DESU's gas turbines is about Rs. 1.45, while the costs of generation from hydel and thermal stations now range from about 20 to 70 paise and about 50 to 96 paise per unit respectively.

(e) Does not arise.

Coal production in Singareni collieries

*80. SHRI V. GOPALSAMY:
SHRI T. R. BALU:

Will the Minister of ENERGY be pleased to state:

(a) what are the details regarding coal production in Singareni collieries during the last three years, yearwise;

(b) what are the details regarding the expansion of Singareni collieries during the Sixth Plan period; and

(c) what are the future expansion plants of Singareni collieries during the Seventh Five Year Plan period?

THE MINISTER OF ENERGY (SHRI VASANT SATHE): (a) The coal production in the Singareni Collieries Co. Ltd. during the last three years and upto January, 1987 of the current year was as under:—

Year	Target	(in million tonnes) Production
1983-84 .	15.00	12.69
1984-85 .	17.00	12.33
1985-86 .	16.00	15.70
1986-87 .	18.00	13.46 (upto Jan. '87)

(b) The production in the company increased from 9.40 m.t. in 1979-80, to 12.33 m.t. in 1984-85, the terminal year of the Sixth Five Year Plan. During the Sixth Plan, 17 coal projects with a capital cost of Rs. 420.46 crores were sanctioned and total capital investment made was Rs. 237.09 crores.

(c) The Seventh Plan envisages a production target of 24 m.t. by the company in 1989-90, the terminal year of the plan, with a capital investment of Rs. 580.00 crores during the entire Plan period. In the first two years of the Seventh Plan, 4 coal projects with a production capacity of 3.41 m.ty. have been sanctioned so far at a total cost of Rs. 214.71 crores.

Opposition of import of Pepsi Cola concentrate formula by Indian soft drink manufacturers

517. SHRI M. KADHARSHA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that owners of the Campa Cola and Thums Up have opposed the import of Pepsi Cola concentrate formula; and

(b) if so, what are the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) The All India Soft Drink Manufacturers Association, New Delhi had submitted a representation against the entry of Pepsi Cola into India. The representation has been signed by the Managing Director Pure Drinks (New Delhi) Limited, Perle (Exports) Private Limited and McDowell & Company Limited. The Association has objected to the entry of Pepsi Cola into India on the following grounds:—

(1) The present soft drink industry is healthy and highly competitive and serves the public well with good quality products;

(2) The present industry has no foreign collaboration and thus there is no foreign exchange remittance due to profits or on any other account;

(3) The industry does not get any Actual Users Import Licence for raw materials;

(4) The industry is still developing and already Pure Drinks and Parles have licenced plants overseas and earning foreign exchange. Even though the exchange earned is only Rs. 2-3 crores, it will increase substantially. These exports are not as a result of forced exports due to any export commitment and represent exports for which the industry is very proud;

(5) The industry cannot export unless the Indian companies are strong in their home market;

(6) Pepsi was in India from 1956-1961 and had decided to leave as the product was not acceptable to the Indian public. This put the local entrepreneurs into great difficulties;

(7) Pepsi needs an import licence for Rs. 3.2 crores. This represents a huge figure considering that none is allowed to wholly Indian Industry. Additionally this licence is needed to sell concentrate worth Rs. 15 crores which is 21 per cent. Even Coca Cola used to have only 4 per cent;

(8) Since current policy of Government is not to permit import of raw materals for soft drink manufacturers, we assume imports will be against exports. However, the imports asked for by Pepsi is Rs. 8.6 crores on projected exports of Rs. 55 Crores which works out to 15 per cent. The present policy allows an entitlement of only 1 per cent of value of export for import flavours against export of fruit and vegetable products;

(9) The imports of raw materials which Pepsi is working for is not within the present Government's policy both in terms of *Import Replenishment and Actual Users Licence;*

(10) Pepsi is asking for 40 million cases capacity when the whole industry is only 60 million cases which means that they wish to destroy and destabilise the local Indian soft Drink Industry;

(11) It appears that the main object of Pepsi Collaboration is to bring in Pepsi and this object is well comouflaged by the proposals for Agro Products. If Pepsi's real interest is to assist the Indian Agro Industries, then they should be welcome if they agree to drop the Soft Drink proposal, since this industry does not require foreign collaboration;

(12) The proposal is contrary to all established policy of the Government in respect of imports of raw materials.

Rationalisation of the bulk drugs and formulations

@518. SHRIMATI SUDHA VIJAY JOSHI:

SHRI M. KADHARSHA:

Will the Minister of INDUSTRY be pleased to state:

(a) what steps are being taken by Government to rationalise the present catego-

---

@Previously Unstarred Question 264 transferred from the 25th February, 1987.